

WAIVER FOR BREACH OF LOAN COVENANT

The Board of Directors of Santak Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to section 1(b)(ii), page 5 of the results announcement dated 29 August 2016 (“**Announcement**”) for the financial year ended 30 June 2016 (“**FY2016**”) whereby it was stated that, *inter alia*, the Group’s loan agreements are subject to covenant clauses and a subsidiary company did not fulfil a covenant. Further, the said Announcement also highlighted that one of the banks constituting 91% of the total outstanding bank loans had given a 3 months waiver. The Board wishes to inform the shareholders of the Company (“**Shareholders**”) that the Company’s subsidiary had received on 6 October 2016, a letter from the other bank for the financing facility which accounted for the remaining 9% of the Group’s total outstanding bank loans as at 30 June 2016. The said letter contains, *inter alia*, waiver for the breach of covenant in relation to the financing facility which accounted for the remaining 9% of the Group’s total outstanding bank loans as at 30 June 2016 and the Company’s subsidiary has on 10 October 2016 formally accepted the said letter.

As at the date of this announcement, the Board confirms that the banks had not recalled any of the outstanding loans and borrowings.

By Order of the Board

Lynn Wan Tiew Leng
Company Secretary
10 October 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**Exchange**”). The Company’s Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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